Import of Bitumen by PSUs

2578. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government's attention has been drawn to the news report appeared in the Business Standard dated 5th September, 1998 under the caption 'Oil PSUs against Bitumen import';

(b) if so, what is the reaction of Government to the observation made in the report and facts of the matter;

(c) the details of action taken/proposed in this regard; and

(d) what is the present status of the import proposals?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR); (a) to (d) The news report, interalia, stated reduction in price of bitumen by public sector oil companies to discourage import of bitumen by private importer and reported ambiguity about the import policy. The price of bitumen has been deregulated effective 1.4.1998. Oil Companies are free to fix the selling price of the product to the customers as per market considerations. As per the existing Exim Policy, import of Bitumen (asphalt-paving grade) is canalised through Indian Oil Corporation Ltd.

LPG facilities in Karnataka

2579. SHRI JANARDHANA POOJARY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether rural areas in Karnataka are covered by LPG facilities by public sector oil companies; if so, the number of villages so covered as on 28th February, 1999;

(b) whether Government propose to cover more villages by providing LPG facility during the current year; and

(c) if so, the number of villages to be provided this facility and the names of districts under whose jurisdiction these are located?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR) : (a) to (c) Due to limited availability of LPG from indigenous sources and possible imports, so far the existing marketing plans for LPG have been made mainly covering towns having a population of 20,000 and above. However, LPG has been introduced in certain environmentally fragile areas and hilly areas below 20,000 population also to protect the environment and prevent deforestation.

With the increasing non-availability of traditional fuels higher availability of LPG and increasing popularity of LPG as cooking fuel due to its convenience in use and to prevent further deforestation, the Government has decided to commence marketing of LPG in the rural areas also. For the purpose of undertaking enrolment in the rural areas, Industry has formulated the revised 1996-98 Marketing Plan taking into account the following:

(i) To cover all urban locations with a population of 10,000 and above by including potential of adjoining villages falling within the radius of 15 Kms.

(ii) All urban locations having population of 5000 and above should be surveyed for setting up of distributorship and the viability to be ascertained by taking into account the potential of adjoining village falling within 15 Kms. radius.

(iii) Cluster of villages within 15 Kms. radius of nucleus village shaving a population of 10,000 and above, to be surveyed for setting up rural distributorship and included in the Plan depending upon the viability.

(iv) Villages within 15 Kms. radius around towns having population of 1 lakh and above to be surveyed for opening of rural distributorships. While identifying rural locations contiguous to these towns, it should be ensured that adequate number of LPG distributorships exist in such towns so as to avoid marketing of LPG by rural distri-butorships in urban areas.

(v) All VIP references should be surveyed for development of LPG distributorships by including the potential of adjoining villages falling within the radius of 15 Kms.

Based on the above criteria, Oil Industry has identified 1285 urban/rural and 401 exclusively rural locations in the country for servicing the rural areas under the revised 1996-98 Marketing Plan.

Stopping the Import of HSD

2580. SHRI ANIL SHARMA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government plan to stop imports of High Speed Diesel (HSD) from August as reported in the Economic Times dated the 16th February, 1999;

(b) what is the projected demand and supply of diesel for 1999-2000; and

(c) whether Government have taken into account various exigencies while arriving at these figures?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) to (c) Import of Petroleum Products including HSD would, interalia, depend upon the overall demand and supply position in the country and the prevailing market conditions. As per IX Five Year Plan (1997-2000) document, the projected demand of petroleum products including HSD for 1999-2000 is likely to be 93.67 MMT. The projected demand and supply of Diesel for 1999-2000 as per present indications are 39.63 MMT and 39.87 MMT respectively. The productwise projection of demand and supply is made every year in the Oil Economy Budget taking into account the projections made by the Oil Industry, production trend and various other exigencies.

Powers to Revive Dealerships

2581. SHRI ABANI ROY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have delegated its powers to respective Oil Corporation to revive dealerships/ distributorsips suspended/pending since 1996 to face the probable competition with private maketers in spite of recommendation of oil industries to revive all such pending cases irrespective of any base year;

(b) what are the reasons for selecting this year as base year and the details thereof;

(c) whether the step would not initiate the probable litigation and would not discriminate among the petitioners;

(d) whether this step would not be beneficial to private oil companies; and

(e) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI K. RAMAMURTHY): (a) Yes, Sir. In order to empower Oil Companies to face emerging competition from the private sector in the deregulated scenario, Government have issued guidelines delegating powers to the oil companies for revival of dealerships/ distributorships subject to certain conditions. One of the conditions is that the RO dealership terminated before 1.1.1996 will not to be considered for revival, SKO / LDO dealerships will not be revived.

(b) It was felt that extending the base year further may invite large number of representations in respect of very old cases.

(c) Government do not foresee such a situation.

(d) No, Sir.

(e) Does not arise.

Refund of Commission by Oil Corporations

2582. SHRI ABANI ROY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Oil Corporations are refunding the draft commission on the purchase of products to the retail outlet dealers and the same is not being refunded to LPG dealers; and

(b) if so, the reasons for discrimination and details and guidelines for fixing up the dealer's commission?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) While fixing the dealers' commission for Motor Spirit and High